

FINANCE COMMITTEE

November 20, 2013

MEMBERS

Chairman Budd
Alderman Vota
Alderman Burtle
Alderman Jones
Mayor Brotherton

ALSO PRESENT

Alderman Walters Gary McNeely
Alderman Koonce Dave Titus
Alderman Heberling Cindy Dey

Chairman Budd called the meeting to order at 6:00 P.M.

Worker Compensation Renewal

Mr. Gary McNeely with Dimond Brothers Insurance Agency presented the Workers Compensation annual premium for January 1, 2014 to January 1, 2015. The renewal premium is \$320,389.00 which reflects a 7.2% increase in payroll and a 12.2% increase in premium from last year. The premium increase for 2014 is coming from two (2) sources: a) The payroll is up 7.2% but much of the increase is in the higher rated codes that is the Street, Fire, and Police and this accounts for approximately 73% of the increase in premium. b) The experience modification factor applies to the basic premium has increased from last year. The 2009 year had a much more favorable loss ratio than the 2012 year that replaced it in the three year calculation. The City of Taylorville will receive a Grant Award of \$22,986.00 from Illinois Public Risk Fund.

Motion by Alderman Jones and seconded by Alderman Vota to recommend to the City Council to approve the January 1, 2014 to January 1, 2015 Workers Compensation Policy Renewal Premium of \$320,389.00 from Illinois Public Risk Fund. Motion carried 4-0.

Natural Gas Presentation

Mr. Dave Titus gave a presentation to the Committee and the Aldermen in attendance regarding participation in the Ameren Gas Transportation Program. According to Mr. Titus, Ameren is getting out of the natural gas production business and will focus primarily on the distribution. Similar to the electric aggregation program, municipalities will be able to select their natural gas supplier and Ameren will distribute it theoretically allowing ratepayers to save money on the supply side of their bills.

Mr. Titus presented examples of the potential cost savings based upon the City's past usage of natural gas. He stated that he would be recommending that the City utilize the company he was currently representing, Santanna Energy Services, as its agent to secure its natural gas supply.

Under the City's current contract with Ameren the City receives credit for a predetermined amount of therms. This made an immediate comparison of the numbers Mr. Titus had presented difficult. Discussion will continue at the next Finance Committee Meeting.

Azavar Audit Solutions, Inc./Audit Program/ Uncollected Municipal Utility Taxes

City Clerk, Pam Peabody researched other communities that hired Azavar Audit Solutions to do an audit of the utility taxes due to the municipalities from the utility provider. As of this date not one municipality that was contacted has received any money from the utility provider. Two municipalities have had several issues with the process and one municipality is satisfied with work they performed. The City Attorney has received Azavar Audit Solutions contract and is reviewing. Discussion will continue after clarification of the contract from the City Attorney has been received.

Audit Bid

Chairman Budd presented a recap of the two bids received for the audit. The Committee had several questions and would like to table the audit bids until the next Finance Committee Meeting for clarification of the questions.

City Auction

Mayor Brotherton informed the Committee that Superintendent Dick Wiseman had contacted a local auctioneer regarding an auction sale for City surplus property. The Committee directed Superintendent Wiseman to contact other local auctioneers who might be interested in holding an auction for the City.

Treasurer's Report

City Treasurer Jacque Nation was not present to give her report. Chairman Budd reviewed the Video Gaming Funds that was received for September and the Annual Treasurer's Report.

Motion by Alderman Vota and seconded by Alderman Jones to adjourn. Motion carried 4-0.

Meeting adjourned at 7:27 P.M.

Larry Budd, Chairman
Finance Committee